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27 June 1955

INDONESIA

- Indonesian parliamentary elections apparently will be held on or about 29 September as scheduled.
 - A. Prime Minister has stated they cannot be postponed even though isolated and insecure aseas cannot participate.
- II. Forecasts of close election with anti-Communist Masjumi (chief opposition party and a moderate Moslem organization) winning plurality--35 percent of vote--is still believed accurate.
 - A. With 10-15 percent of votes going to Masjumi's allies and 10 percent to Nahdlatul Ulama (NU) -- probable ally, Masjumi could form government.
 - B. National Party, which leads present government, and Communist Party, which supports it, still believed likely to poll about evenly, at 15-20 percent of vote each.
- III. Army affairs momentarily hold spotlight in Indonesia.

A.	Acting chief of staff-						
	has refu	sed to	relinquish	his	duties	to	newly
	appointed chief of staff.						

- 1. Territorial commanders also oppose new appointee. They want strong anti-Communist in this post.
- 2. Opposing elements probably will back down, but subsequent measures probably promoted by President Sukarno to discipline insubordination will have effect of further reducing anti-Communist influence in army.

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